

ORDER NO. 1749

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Ruth Y. Goldway, Chairman;
Robert G. Taub, Vice Chairman;
Mark Acton;
Tony Hammond; and
Nanci E. Langley

Competitive Product Prices
Global Expedited Package Services 3 (MC2010-28)
Negotiated Service Agreement

Docket No. CP2013-67

NOTICE AND ORDER CONCERNING FILING OF
GLOBAL EXPEDITED PACKAGE SERVICES 3
NEGOTIATED SERVICE AGREEMENT

(Issued June 14, 2013)

I. INTRODUCTION

On June 13, 2013, the Postal Service filed a notice announcing that it has entered into an additional Global Expedited Package Services (GEPS) 3 negotiated service agreement (Agreement).¹ The Postal Service seeks inclusion of the Agreement within the GEPS 3 product. Notice at 2.

¹ Notice of United States Postal Service of Filing a Functionally Equivalent Global Expedited Package Services 3 Negotiated Service Agreement and Application for Non-Public Treatment of Materials Filed Under Seal, June 13, 2013 (Notice).

II. BACKGROUND

The Commission approved the addition of GEPS to the competitive product list as a result of consideration of Governors' Decision No. 08-7 in Docket No. CP2008-5.² The Commission later added GEPS 3 to the competitive product list, and authorized the agreement filed in Docket No. CP2010-71 to serve as the baseline agreement for purposes of considering the potential functional equivalence of other agreements.³

The instant Agreement is the successor to the agreement approved in Docket No. CP2012-30, and is with the same customer. *Id.* at 3. The Agreement is intended to take effect July 1, 2013, following the June 30, 2013 expiration of the current agreement.⁴ *Id.* It is set to expire 1 year after its effective date. *Id.*

III. CONTENTS OF FILING

The Notice includes the following attachments:

- Attachment 1—a redacted copy of the Agreement;
- Attachment 2—a redacted copy of the certified statement required by 39 CFR 3015.5(c)(2);
- Attachment 3—a redacted copy of Governors' Decision No. 08-7, which establishes prices and classifications for Global Expedited Package Services Contracts; and
- Attachment 4—an application for non-public treatment of materials to be filed under seal.

² See Docket No. CP2008-5, Order No. 86, Order Concerning Global Expedited Package Services Contracts, June 27, 2008.

³ See Docket Nos. MC2010-28 and CP2010-71, Order No. 503, Order Approving Global Expedited Package Services 3 Negotiated Service Agreement, July 29, 2010.

⁴ The Commission recently granted a brief extension of the Docket No. CP2012-30 agreement (from June 10, 2013 to June 30, 2013). The extension was based on the understanding a successor agreement would be filed. See Docket No. CP2012-30, Order No. 1731, Order Granting Motion for Temporary Relief, May 24, 2013.

Materials filed under seal include unredacted copies of the Agreement, the certified statement, and supporting financial workpapers. *Id.* The Postal Service filed redacted versions of the financial workpapers as public Excel files.

The Notice addresses reasons why the Postal Service believes the Agreement is functionally equivalent to the GEPS 3 baseline agreement, notwithstanding differences in two of the introductory (“Whereas”) paragraphs of the Agreement; revisions to existing articles; and new, deleted, and renumbered articles. *Id.* at 3-7. The Notice also identifies the addition of an Annex 2. *Id.* at 6. The Postal Service states that these differences do not affect either the fundamental service being offered under the Agreement or its fundamental structure. *Id.* at 7.

The Postal Service states that for the reasons discussed in the Notice and as demonstrated by the financial data filed under seal, it has established that the Agreement is in compliance with the requirements of 39 U.S.C. 3633 and that the Agreement is functionally equivalent to Docket No. CP2010-71. *Id.* The Postal Service therefore asks that the Commission add the Agreement to the GEPS 3 product. *Id.*

IV. COMMISSION ACTION

The Commission establishes Docket No. CP2013-67 for consideration of matters raised by the Notice. Interested persons may submit comments on whether the Agreement is consistent with the policies of 39 U.S.C. 3632, 3633, or 3642. Comments are due no later than June 21, 2013. The public portions of the Postal Service’s filing can be accessed via the Commission’s website, <http://www.prc.gov>. Information on how to obtain access to non-public material is appears at 39 CFR part 3007.

The Commission appoints Curtis E. Kidd to serve as Public Representative in Docket No. CP2013-67.

It is ordered:

1. The Commission establishes Docket No. CP2013-67 for consideration of matters raised in the Postal Service's Notice.
2. Comments by interested persons in these proceedings are due no later than June 21, 2013.
3. Pursuant to 39 U.S.C. 505, Curtis E. Kidd is appointed to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in Docket No. CP2013-67.
4. The Secretary shall arrange for publication of this Order in the *Federal Register*.

By the Commission.

Shoshana M. Grove
Secretary